CLASSIFICATION 3

CENTRAL INTELLIGENCE AGENC

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1950 BUDGET TO EXCEED 843 BILLION ZLOTYS

403 BILLION FOR ECONOMIC INVESTMENTS -- Zwiazkowiec, No 4, Jan 50

Expenditures of the proposed budget for 1950 will amount to 843,251,207,000 zlotys. Of this, 403 billion zlotys will be used for general economic investments and to augment the funds of local government.

Administration is the basic part of the budget, including the administration of the entire country. Total income under this heading amounts to 489 billion zlotys, including 309,400,000,000 zlotys from socialized enterprises and 144,300,000,000 zlotys from other enterprises. The income and expenditures of administration for 1950 are almost 100 billion zlotys higher than in 1949, with income 58 billion zlotys higher than expenditures.

Another part of the budget covers the state enterprises, which will bring in 299,900,000,000 zlotys net. The total from social insurance, i.e., from the Community Savings Fund, from Social Security Insurance, and from the General Mutual Insurance Institute, should amount to 45,200,000,000 zlotys.

The budgetary expenditures for 1950 are divided as follows: 457,900,000,000 mlotys for current administration expenses, 374,600,000,000 mlotys for investments, and 10,800,000,000 zlotys for the repayment of the national debt.

The expenses for education total 20 percent of all administrative expenses, or 83,700,000,000 zlotys. Including the amount to be spent for the development of culture and art, the total will be 89 billion zlotys. The expenditures for education in 1950 will be 24 billion zlotys more than in 1949. The sum of 19,283,000 zlotys is to be spent on the Central Office of Vocational Training. This sum is 4,600,000,000 more than in 1949.

The amount to be spent on the various other educational levels will be higher in 1950.

Also, 1,800,000,000 zlotys are planned for adult education and for establishing 50,000 courses for the education of 750,000 illiterates.

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Over 15,000 teachers will be employed in the trade schools alone, and 21,652 scientists will be attached to the various national offices.

It is expected that expenditures and income will not only balance, but that the savings campaign will yield a further surplus of income over expenditures.

DISCUSS BUDGET -- Dziennik Polski, No 10, 11 Jan 50

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On 9 January 1950, a session of the Sejm commission for economic planning and budget was held in Warsaw with Representative Popiel (PZFR) presiding. In addition to members of the commission, the following were present: K. Dabrowski, Minister of Treasury; Vice-Ministers Kurowski and Jastrzebski; representatives of other ministries; Minister Mijal, chief of the President's Civil Office.

A plan for working out the budget was set up, introducing basic reforms in the duties of the commission for economic planning as well as other Sejm commissions. Bulgets of allied departments, after discussion at separate departmental commissions, will be presented jointly as one report to the commission on economic planning and budget. For example, the industrial commission will take up, in succession, four budgets of four different ministries of industry; however, the commission for economic planning and budget will receive a joint report covering all the budgetary problems pertaining to all industry.

This change in procedure is the direct consequence of the inclusion in the budget of all financial problems of economic planning. The change will shorten the work of the Sejm commissions.

APPROVE BUDGET OF PUBLIC ADMINISTRATION MINISTRY -- Dziennik Polski, No 23, 24 Jan 50

The Sejm committees for state, municipal, community, and housing administrations approved the Ministry of Public administration's budget for the Housing Fund Administration and local municipalities.

The merger of the Ministry of Public Administration and the Ministry for Recovered Territories has effected a saving of 672 million zlotys and increased the range of operations. The repatriation program is in its final stage.

The budget of the Housing Fund Administration will include for the first time measures to prevent deterioration of houses from natural causes.

The 1950 appropriation for housing improvements amounts to 11 billion zlotys, 6 billion of which are a government subsidy. The regular budget of municipalities foresees total expenditures of 75,700,000,000 zlotys.

Considerable funds have been assigned to solve the problem of water supply in Gorny Slask. Further expansion of transportation facilities between suburban areas and the cities, mainly in Warsaw and in the Slask area, has been planned.

The State Council has assigned 12 billion zlotys to the municipalities for 1949 from the local government's equalization fund. One of the main tasks of the Wojewodztwo National Councils is the elimination of waste in municipal enterprises.

NEW BANK TO HANDLE SMALL BUSINESS -- Slowo Polsie, No 3, 22 Jan 50

Dabrowski, Minister of the Treasury, spoke at the opening of the new Bank of Manual Trade and Commerce on 11 January 1950. He explained that the new bank will finance and control workers' cooperatives, private commerce and handicrafts, and small private factory production. Small tradespeople must be protected from capitalistic speculation, and small business must be included in the over-all national economy.

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The small business to be handled by the Bank of Manual Trades and Commerce comprises about 11,000 private factories, a large number of private service enterprises, and about 2,000 industrial and service cooperatives.

NEW TAX FOR SMALL BUSINESS -- Dziennik Polski, No 15, 16 Jan 50

The Ministry of the Treasury has established a new basis for levying Turnover and Income Taxes on small business in communities of 5,000 or less. The order, relative to the tax, is effective as of 1 January 1950 and will be published soon in the Journal of Laws.

The bulk of the tax will be paid by coopers, hairdressers, wheelrights, basket makers, blacksmiths, makers of farm implements, tailors, rope makers, and shoemakers. The tax will fluctuate between 750 and 6,200 zlotys per month depending on the type of business or trade, the place of business, and the number of employees.

Persons over 65 years of age or those doing business in Olsztyn, Wroclaw, and Szczecin wojewodztwos and in certain powiats of Bialystok, Gdansk, and Poznan wojewodztwos are entitled to a reduction in tax.

Those subject to the tax must file a return by 31 January 1950 according to a established form and without notice from the tax authorities.

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